



Legislative Commission on Aging

A nonpartisan research and public policy office of the Connecticut General Assembly

Testimony of

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**On the Governor's Budget Related to Social Services
Appropriations Committee
February 22, 2013**

Thank you for this opportunity to comment on Governor Malloy's budget proposals related to social services.

My name is Julia Evans Starr, I'm the Executive Director of the Legislative Commission on Aging (CoA). The CoA is the nonpartisan, public policy office devoted to preparing Connecticut for a significantly changed demographic and enhancing the lives of the present and future generations of older adults. For twenty years, CoA has served as an effective leader in statewide efforts to promote choice, independence and dignity for Connecticut's older adults and persons with disabilities. As part of our statutory mandate set forth in CGS §17b-420, we submit an annual Results Based Accountability Report and review and comment on proposed state legislation and budgetary issues.

The Legislative Commission on Aging applauds Governor Malloy's commitment to "rebalance" the long-term care system and to uphold the US Supreme Court's *Olmstead* decision and Connecticut state law (CGS §17b-337). In short, *Olmstead* and state law require that individuals with long-term care needs have the option to choose and receive long-term services and supports in the least restrictive, appropriate setting. At the same time, we know that individual preference and desire is undeniably to live in one's home and community with services and supports (research substantiates this).

Many of the Governor's proposals are consistent with those originated and advanced by the Commission on Aging. The culmination of certain aspects of this work is contained in Governor Malloy's 2013 "Rebalancing Plan". The major mechanism for systems change continues to be the Money Follows the Person (MFP) program and its many facets. MFP is a multi-million-dollar

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systems change grant and the primary driver for long-term care reform in Connecticut. MFP's most notable attribute is that it transitions individuals of all ages from nursing homes into their homes and communities. In other words, the "Medicaid" money paying for their institutional care will now follow that person into the community. Through this rebalancing incentive grant, Connecticut receives enhanced FMAP money, additional grant money/technical support and yields a lower cost of care for each person (as stipulated in MFP protocol), while the individual gets to realize choice. So far, approximately, 1,400 people in Connecticut have transitioned from nursing homes into the community under MFP.

Through this budget proposal, the Governor aims to advance long-term services and supports rebalancing by:

- Building and sustaining a direct care workforce that can meet the needs of the long-term services and supports system. ~ Which builds off the work of the Legislative Commission on Aging as Chair of MFP Direct Workforce Subcommittee and author of the Workforce Plan.
- Providing enhanced access to information and education about long-term services and supports. ~ Which Builds off the work of the Legislative Commission on Aging and its LTSS Website.
- Incentivizing nursing homes to diversify and transform to meet the needs of the future.
- Addressing services gaps in the system and improving existing services.

We would also urge the financial commitment to Independent Living Centers (ILCs): Independent Living Centers are an important partner in the MFP program. They are the hub services and supports for people with disabilities living in the community. In the Governor's proposed budget, the state funding for ILCs has been eliminated.

Overall, the Governor's budget proposal represents continued forward motion of Connecticut's rebalancing efforts. The CoA hopes that the Legislature and the Governor will continue to support these initiatives, as long-term care is a highly complex, multi-faceted system requiring much more work. To that end, respectfully, the CoA has put forward a comprehensive, dynamic and innovative Long-Term Services and Supports Strategies Report (which we update on a quarterly basis). Our recommendations – informed by data and national trends and best practices – continue to help inform critical policy, regulatory and implementation decisions. All reform efforts should strive to **create parity and allow true consumer choice for people regardless of age, streamline systems and maximize state and federal dollars.**

We wanted to just highlight a few of the CoA's strategies that are worthy of your strong consideration moving ahead and not addressed in this budget:

1. Pursuit of strong diversion strategies:

- **HCBS Medicaid Waivers:** Most of the home and community based waivers (PCA, ABI, Home Care Program for Disabled Adults, Katie Beckett, etc) are closed and have significant waiting lists. While MFP is making significant strides in transitioning consumers from institutions into the community, many people currently living in the community are denied access to services because of these caps and waiting lists.

While we applaud the efforts underway through MFP, underfunding HCBS waivers and not addressing the caps and waiting lists, results in higher long-term costs to the Medicaid long-term services and supports system. Additionally, lack of access to these waivers may be violation of the US Supreme Court's Olmstead Decision.

- **Continued commitment and recognition of the value of the Connecticut Home Care Program for Elders (CHCPE):** CHCPE represents the largest nursing home diversion program in the state (for people 65 years of age and older). Prioritizing maintenance of current funding and reducing/stabilizing co-payments is a wise investment. Over the past several years, this program has been modified a number of times: first, in January, 2010, when a 15% copayment was added to the state-funded portion of the program; six months later, in July, 2010, the legislature saw fit to reduce the copayment to 6%; in July 2011 the copayment was raised to 7%. DSS estimated that the **CHCPE saved almost \$107 million for the State of Connecticut in FY '10 by avoiding nursing home placements.** Additionally, a priority of the CoA is to streamline the waiver system for parity and easier access for all individuals with similar needs, regardless of age and specific disease
 - **Continued commitment to programs that support caregivers:** A consistent recommendation across State Plans and Studies (e.g. LTC Needs Assessment, LTSS Plan, Governor's recently released Rebalancing Plan) is to provide support for informal caregivers. Caregivers in Connecticut provide an estimated \$1 billion of unpaid care annually – and importantly, a higher quality of life to their spouses, neighbors, parents and friends. Research clearly indicates that supporting informal caregivers with programs such as the Alzheimer's Respite Care Program, is critical to keeping individuals out of nursing homes; it keeps caregivers healthy, and allows families to utilize various options in respite allowing for more cost effective solutions. We support the Governor's plan to design, implement and evaluate improved respite and other supports to caregivers. We hope that the funds allocated for this purpose go towards services for caregivers and not for consultants.
2. **Parity and true consumer choice for all under MFP**
- **Utilization of an aggregate cost- cap** in determining eligibility for the Money Follows the Person program. Currently, if an individual is in an institution and over the cost-cap, they are generally not provided with the option to use MFP/Medicaid funds to live in the community. If an aggregate cost cap is applied, more people would have the option to transition out of nursing homes and into the community under Money Follows the Person.
3. **Global budgeting & transparency**
- **Implement true global budgeting:** Global budgeting will allow for the transparent and flexible movement of Medicaid funds across the long-term care continuum (between institutional and various home- and community- based services and supports) line items.

- **Overall, CoA values transparency in the budget process.** This particular budget was difficult to interpret as so many programs and services were consolidated into one enormous line item.

The CoA welcomes the opportunity to discuss further with the committee these and other rebalancing strategies. In these difficult budget times, research-based initiatives, statewide planning efforts, vision and creative thinking are all needed. The Legislative Commission on Aging stands ready to assist our state in finding solutions to our fiscal problems, while providing accountability in state government and improving the quality of life for all.

Thank you.